



General Assembly

Substitute Bill No. 5842

February Session, 2006

* _____ HB05842FIN _____ 040406 _____ *

**AN ACT REQUIRING REPORTS ON STATE ASSUMPTION OF
MUNICIPAL LIABILITIES AND ON ALTERNATIVE REVALUATION
PROCESSES.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (*Effective from passage*) (a) The Comptroller shall conduct a
2 study of an assumption by the state of the provision of health
3 insurance coverage to all municipal employees, including employees
4 of local and regional boards of education. Such study shall include, but
5 need not be limited to, (1) the cost to the state of such assumption, (2)
6 the savings to municipalities, (3) the impact upon the health insurance
7 coverage provided to town employees and the state's ability to offer an
8 equivalent level of health insurance coverage, (4) the impact upon any
9 contracts between employee organizations and municipalities, (5) in
10 consultation with the Office of Policy and Management, the impact
11 upon a municipality's mill rate should the state undertake such
12 assumption, (6) the cost of administering such a program, and (7) such
13 other factors as may impact upon the state's decision to undertake such
14 assumption.

15 (b) Not later than January 1, 2007, the Comptroller shall report the
16 findings of the review to the joint standing committees of the General
17 Assembly having cognizance of matters relating to insurance and
18 finance, revenue and bonding, in accordance with section 11-4a of the
19 general statutes.

20 Sec. 2. (*Effective from passage*) (a) The Commissioner of Education
21 shall conduct a study of an assumption by the state of the costs
22 currently borne by municipalities for special education. Such study
23 shall include, but need not be limited to, (1) the cost to the state of such
24 assumption, (2) the savings to municipalities, (3) the impact upon the
25 provision of special education, (4) in consultation with the Office of
26 Policy and Management, the impact upon a municipality's mill rate
27 should the state undertake such assumption, (5) the cost of
28 administering such a program, and (6) such other factors as may
29 impact upon the state's decision to undertake such assumption.

30 (b) Not later than January 1, 2007, the commissioner shall report the
31 findings of the review to the joint standing committees of the General
32 Assembly having cognizance of matters relating to education and
33 finance, revenue and bonding, in accordance with section 11-4a of the
34 general statutes.

35 Sec. 3. (*Effective from passage*) (a) The Secretary of the Office of Policy
36 and Management shall conduct a study of a system of property
37 taxation wherein all appraised valuations are frozen until such time as
38 there is a change of ownership or improvements are made to the real
39 property, and valuations increase only by the cost of any
40 improvements made, or, upon a sale, valuations increase to the sales
41 price or fair market value. Such study shall include, but need not be
42 limited to, (1) a review of the experience in jurisdictions where such
43 system, or similar systems, are in place, (2) a consideration of the
44 savings to municipalities due to removal of the requirement to perform
45 revaluations, conduct hearings on appeals and other associated costs,
46 (3) an analysis of the future effects of such a system on the property tax
47 burden borne by various classes of real property, (4) an analysis of the
48 expected impact upon municipal budgets, and (5) such other review or
49 analysis as may be deemed necessary by said secretary.

50 (b) Not later than January 1, 2007, said secretary shall report the
51 findings of the study to the joint standing committees of the General
52 Assembly having cognizance of matters relating to planning and

53 development and finance, revenue and bonding, in accordance with
54 section 11-4a of the general statutes.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>from passage</i>	New section

FIN *Joint Favorable Subst.*